



## Creating More and Better Jobs

PURE *M*ICHIGAN Focus

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Senate Economic Development Committee  
House Commerce Committee  
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## Michigan Economic Development Corporation



*The MEDC promotes smart economic growth by developing strategies and providing services to create and retain good jobs and a high quality of life.*

- The state's economic development authority, with direct control over resources and programs
- Partnership between the State of Michigan and local communities
- One-stop resource for business retention, expansion and relocation projects
- Structure allows for speed, continuity and flexibility

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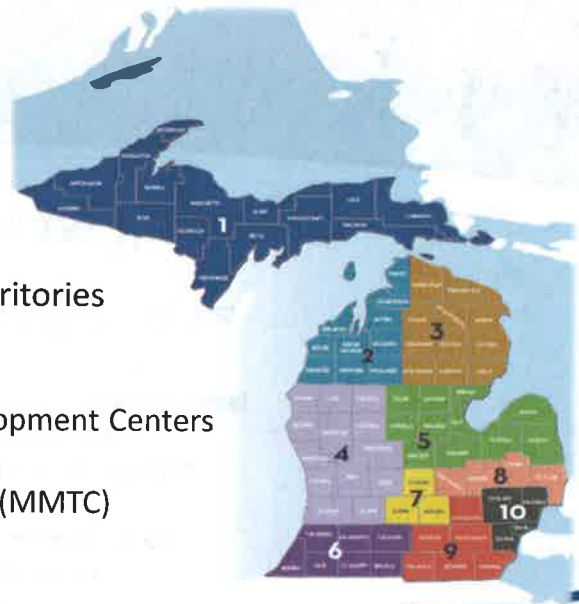
## Regional Focus

### Ten development regions

- 67 Interlocal and 87 corporate partners
- Work together to align regional services and priorities

### MEDC and service providers have aligned territories

- MEDC Field Teams & Support
- Michigan Works! Agencies (MWAs)
- Michigan Small Business & Technology Development Centers (MI-SBTDC)
- Michigan Manufacturing Technology Centers (MMTC)
- Transportation (MDOT)
- Agriculture & Rural Development (MDARD)



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## One State: Collaborating for Better Results

- Recognizing the greater opportunity of focused regional actions
- Coordinating, cooperating and collaborating will maximize the benefits of all our efforts
- Organizational structures to facilitate working together:
  - Economic Growth Executive Group: MEDC, MDOT, LARA and MSHDA together as the major drivers of economic and community development
  - Interdepartmental Collaboration Committee (ICC ) brings state departments together for better and more efficient government
  - Collaborative Development Council (CDC) brings economic development partners together for regional focus

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## MEDC: Focused & Balanced Approach to Economic Development

The MEDC supports Governor Snyder's initiatives and economic outcomes targeted on his dashboard by focusing on:

- **Business Growth and Investment**
- **Vibrant and Vital Communities**
- **Talent Enhancement**
- **Michigan's business and tourism brand**

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## Business Tax Reform

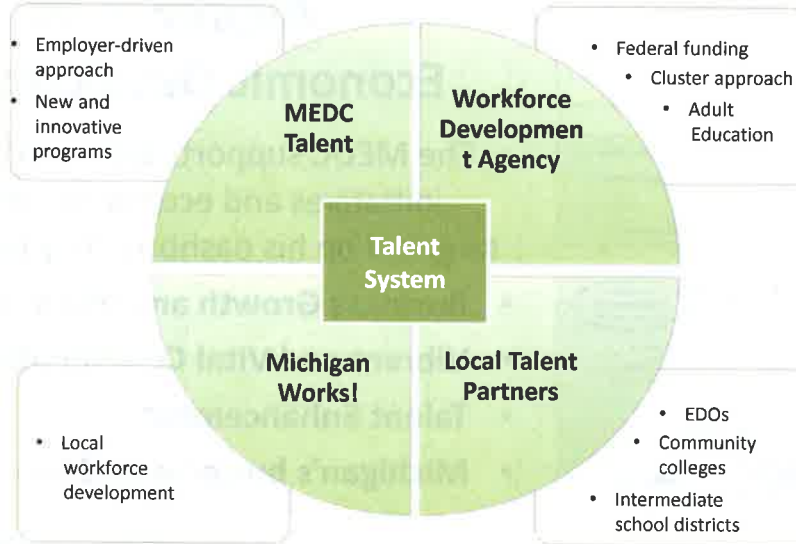
- **Corporate tax rank from #49 to #7**
- **Overall tax rank from #18 to #12**
- **3<sup>rd</sup> among the nation's 12 largest states**

**Best in Midwest!**

**At Least  
80%  
Tax Cut for  
Businesses**

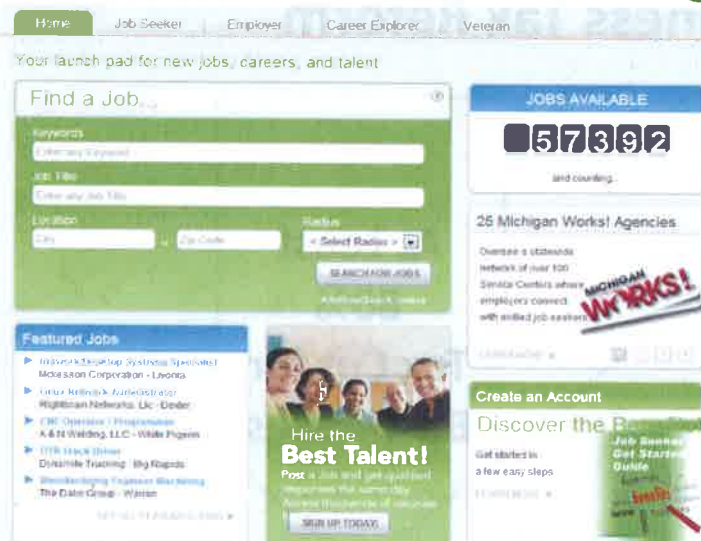
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# Full Service Workforce & Talent System



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## mitalent.org



The place for:

- Job Seekers
- Employers
- Career Explorers

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## Pure Michigan Export Program

- *“We are reinventing Michigan in a way that works better for our businesses and creating strong tools like the Pure Michigan Export Program to help Michigan companies compete globally and diversify their customer base.”*

**- Rick Snyder, Governor**



## Why Export?

- Increases Michigan companies' sales and profits
- Expands job creation in Michigan
- Increases purchasing power
- Strengthens Michigan economy
- Strengthens the overall U.S. economy



## Foreign Direct Investment (FDI) Why is it important? More and Better Jobs!!

- FDI supports over 5 million US workers
- FDI supports 141,700 workers in Michigan
- FDI related jobs pay 30% higher
- 84% of FDI comes from 8 countries
- 41% of FDI goes to the manufacturing sector

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## Key Actions



Proactively Seeking  
Opportunities

1. Create a proactive process to identify and prioritize project opportunities
2. Deliver an exceptional client experience
3. Field a high-execution sales team
4. Leverage regional assets

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### Targeted industries for bilateral trade and foreign direct investment



### Targeted countries for foreign direct investment



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## Our Goals



- 4,000 More & Better Jobs  
— 19k for all of the MEDC  
(at 4,016 stages 2, 3, 4 and 7)
- Private Investment of \$450,000,000  
— \$2.1 B for entire MEDC  
(at \$550 million stages 2,3,4 and 7)



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## So how are we doing?

Michigan is America's comeback state

Michigan is **#1** on the list of states that recovered most from the Great Recession

In 2011, Michigan's economy grew **2.3%** - the **6<sup>th</sup>** best growth rate in the U.S.

Corporate tax rank **#7** from **#49** - **3<sup>rd</sup>** among the 12 largest states

Today, we have **200,000** new payroll jobs

Unemployment is **8.7%** down from 14.2% in 2009

Michigan home sales were up **10%** in 2012

Michigan ranks **#3** for high-tech job growth

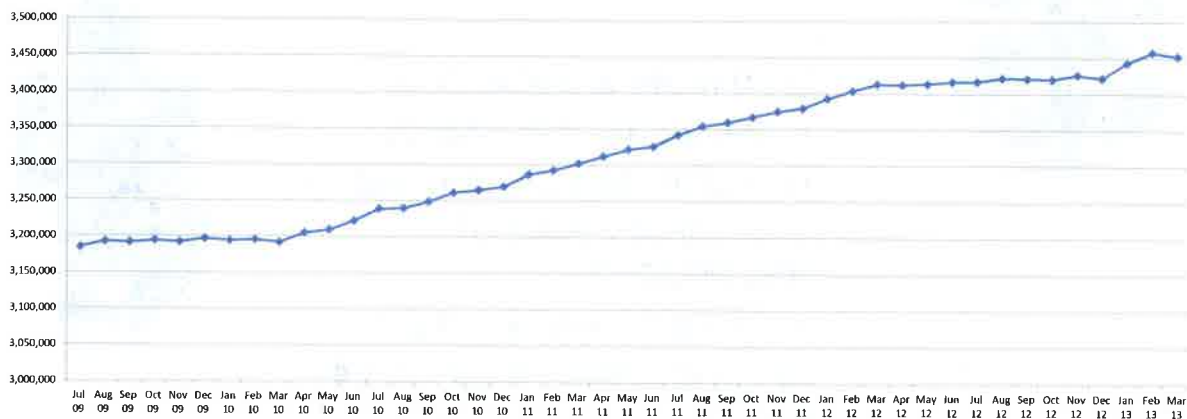
Michigan employers are saving **\$1 billion** in unemployment costs

Moody's and Standard & Poor's revised Michigan's outlook to **positive**

Fitch Ratings improved Michigan's general obligation bonds from AA- to **AA**

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## Employment Trends in Michigan Private Sector Employment



Source – Seasonally Adjusted Employment; CES, Labor Market Information, DTMB

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## Making it Real in Detroit



*Automatic Data Processing, Inc. is provider of integrated computing solutions to truck, auto, motorcycle, marine, recreational vehicle and heavy equipment dealers worldwide and is represented in nearly 100 countries.*

**MBDP Project:** ADP plans to open a new Digital Marketing Innovation center in the **Renaissance Center** in downtown **Detroit** to provide advanced marketing insights and client services for its clients in the automotive industry.

**Projected Private Investment:** \$3.3 million

**Projected Job creation:** 150

**Incentive:** \$1.5 million performance-based grant

**MCRP Project:** Eastern Market Corporation will renovate Eastern Market's Shed 5 in **Detroit**, and add a new community kitchen that will support new, local food entrepreneurs.

**Projected Private Investment:** \$8.2 million

**Projected Job creation:** 36

**Incentive:** \$1 million performance-based grant



*Eastern Market has been supplying Detroit-area residents with fresh food since 1891 and currently draws more than 40,000 visitors on a weekly basis.*

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## Making it Real in Detroit

### Other MBDP & MCRP project examples:

- **Integrated Manufacturing and Assembly**, a Lear subsidiary, manufactures and assembles automotive seating components. The company plans to expand operations at two leased facilities in **Detroit** and **Highland Park**.

**Projected Private Investment:** \$32.4 million

**Projected Job creation:** 1,089

**Incentive:** \$4.6 million performance-based grant

- **Ellington WF, LLC** plans to construct a 21,500 square foot retail building to be leased to Whole Foods Market, located on Mack Avenue in **Detroit**. Whole Foods is a full-service grocery store that will offer fresh produce and other high-quality natural and organic food product to the Midtown neighborhood.

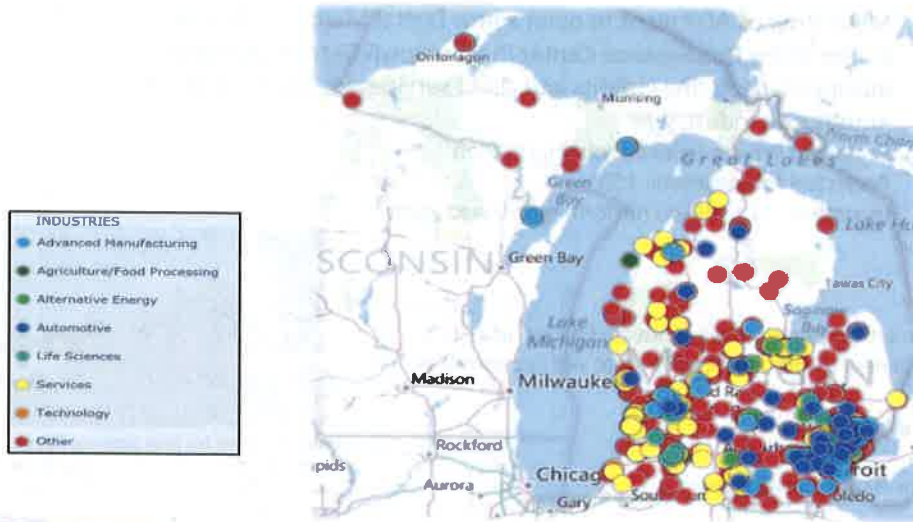
**Projected Private Investment:** \$14.8 million

**Projected Job creation:** 65

**Incentive:** \$1 million performance-based grant

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## 2011-12 Project Successes



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## Discussion / Q&A

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